

# MAINE STATE LEGISLATURE

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1 §6207. Income limitations for nonelderly households

2 1. Benefit calculation. For claimants  
3 representing a nonelderly household, the benefit is  
4 25% of the amount by which the benefit base exceeds  
5 4.75% of income to a maximum payment of:

6 A. For incomes less than or equal to  
7 \$5,000.....\$150;

8 B. For incomes greater than \$5,000 and less than  
9 or equal to \$10,000 .....\$125; and

10 C. For incomes greater than \$10,000 .....\$100.

11 2. Income eligibility. Claimants with household  
12 incomes in excess of \$12,500 are not eligible for a  
13 benefit.

14 **Sec. 2. 36 MRSA §6217, as enacted by PL 1987,**  
15 **c. 516, §§3 and 6, is repealed.**

16 **Sec. 3. Appropriation. The following funds are**  
17 **appropriated from the General Fund to carry out the**  
18 **purposes of this Act.**

19 1988-89

20 FINANCE, DEPARTMENT OF

21 Bureau of Taxation

22	Positions	(2)
23	Personal Services	\$ 45,000
24	All Other	62,000
25	Capital Expenditures	3,400
26		
27	Total	<u>\$110,400</u>

28 Low-Income Tax Relief

1 All Other \$2,380,000  
2 DEPARTMENT OF FINANCE  
3 TOTAL \$2,490,400

4 STATEMENT OF FACT

5 Sections 1 and 2 of the bill replace the  
6 nonelderly portion of the Household Tax Rent Refund  
7 Program with a circuit breaker program. Eligible  
8 households will receive a payment if the percentage of  
9 income paid in property taxes, or rent equivalent,  
10 exceeds a threshold. The threshold is calculated as  
11 the median percentage of income going to property  
12 taxes, for those with incomes under \$20,000; 25% of  
13 the amount over the median would be reimbursed up to a  
14 maximum of \$150 for incomes under \$5,000, \$125 for  
15 incomes between \$5,000 and \$10,000, and \$100 for  
16 incomes over \$10,000. Households with incomes up to  
17 \$12,500 are eligible for the program.

18 Section 3 provides the necessary appropriation for  
19 the circuit breaker program. The funding has been  
20 identified in the Governor's Budget.

21 5005031088